

# Exhibit 9

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## *Project Transform – Sources and Uses*

**December 2018**

JX 009-1

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# Sources & Uses<sup>1</sup>

(\$ in millions)

Sources		
Sources	\$	%
Credit Bid - Dove	\$436	9%
Dove - Cash to Buyout of Tranche A Holder	108	2%
Cash to Purchase Sparrow Equity	0.005	0%
Assumption of Sparrow Debt	602	13%
Citi L/C Facility - Cash to Buyout Other Holders	164	4%
Citi L/C Facility	107	2%
New ABL Facility and Term Loan <sup>5</sup>	900	19%
Credit Bid of FILO - Inventory & Receivables <sup>4</sup>	90	2%
FILO - Cash to Sears from Non-Credit Bid Part of FILO (Great American)	35	1%
2L Credit Bid ESL - Inventory & Receivables <sup>2,3</sup>	316	7%
2L Credit Bid Third Party - Inventory & Receivables <sup>2,3</sup>	74	2%
Credit Bid - IP/GL	152	3%
IP/GL - Cash to Buyout 3rd party holder(s)	79	2%
New Real Estate Debt	275	6%
Home Services PA Liability	1,009	22%
NewCo Equity/Cash/2L Waiver - SHS & Other	190	4%
2018 Gift Card Vintage	13	0%
SYW Point Liability	68	1%
<b>Total Sources</b>	<b>\$4,620</b>	<b>100%</b>
<b>Total Cash Potentially Needed to Buyout 3rd Party Debtholders</b>	<b>\$386</b>	
<b>Total Credit Bid<sup>9</sup></b>	<b>\$1,291</b>	
<b>2L Deficiency Claim<sup>10</sup></b>	<b>\$680</b>	
<b>Dove Deficiency Claim</b>	<b>\$254</b>	

Uses		
Uses	\$	%
Purchase of Dove Real Estate	\$544	12%
Cash to Purchase Sparrow Equity	0.005	0%
Assumption of Sparrow Debt	602	13%
New Citi LC Facility	271	6%
Purchase of Inventory <sup>6,7</sup>	1,277	28%
Purchase of Credit Card / Pharmacy Receivables <sup>6,8</sup>	88	2%
Cash to Paydown Revolver	275	6%
Transaction Fees	50	1%
Home Services PA Liability	1,009	22%
Purchase of IP/GL Collateral	231	5%
Purchase of SHS & Other <sup>11</sup>	190	4%
2018 Gift Card Vintage	13	0%
SYW Point Liability	68	1%
<b>Total Uses</b>	<b>\$4,620</b>	<b>100%</b>
Purchase of IP/GL Collateral	231	
SHS and Other <sup>11</sup>	190	
<b>Total</b>	<b>\$421</b>	
Sears Home Services	175	
Other <sup>11</sup>	246	
<b>Total</b>	<b>\$421</b>	

Revised S&U as of 12/19/18 reflects a 425 store footprint (down from 505 on 12/05/18 and the sale of SHIP). The values herein reflect the interdependencies across these assets and are contingent on acquiring the enumerated assets collectively.

- Sources & Uses excludes the impact associated with the purchase of Kenmore & Diehard
- Assumes ability to drag along third party 2L holders; assumes \$89mm of subordinated 2L debt is not part of credit bid
- Total 2L debt of \$1,160mm comprised of \$847mm of ESL owned debt, \$293mm of 3<sup>rd</sup> party debt and \$20mm owned by Tommy Tisch. Assumes \$89mm of 3<sup>rd</sup> party debt is not part of credit bid and remaining \$1,071mm of 2L debt is pro-rata shared between ESL/Tommy Tisch (81% or \$316mm) and 3<sup>rd</sup> Party (19% or 74mm)
- Assumes Tommy Tisch credit bids along with ESL
- Used to pay down \$850mm of 1L debt and \$50mm transaction fees
- Assumes pro rata ownership of inventory, accounts receivables and scripts in NewCo for 2L component of the credit bid
- Assumes purchase of \$1,503mm projected book value of inventory on 2/1/2019 at 85 cents
- Assumes purchase of \$104mm projected book value of credit card and pharmacy receivables on 2/1/2019 at 85 cents
- Total credit bid amount includes cash used to buyout 3<sup>rd</sup> party debtholders
- Assumes shared deficiency claim amongst 2L credit-bidders
- Other includes Unencumbered RE, Innovel, SYW, Monark, SAC and Designation Rights